

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: Wisconsin

MORE LIBERAL METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT\*\*

☐ Section 1902(f) State ☒ Non-Section 1902(f) State

A. For persons in remedial or care institutions\* and SSI-related Medically Needy:

1. In-kind support and maintenance - Totally exempt unless regular, predictable, and received in return for a service or product delivered.
2. Deeming to other eligible children an ineligible parent's income in excess of that which makes one child ineligible - Deemed parental income is split among siblings and no further computations are done.
3. Income deductions - Court-ordered support amounts (child or spousal support) and court-ordered attorney and/or guardian fees are considered unavailable.

B. For AFDC-related Medically Needy:

1. Income deductions - Court-ordered support amounts (child or spousal support) and court-ordered attorney and/or guardian fees are considered unavailable.
2. Gross income test - In determining eligibility, the AFDC gross income test which is based on 185 percent of the AFDC standard of need is not applied.

TN No. 91-32  
Supersedes  
TN No. NEW

Approval Date 1-22-92

Effective Date 10/1/91

HCFA ID: 7985E

\* Includes persons in medical or remedial care institutions who are eligible under a special income level and persons in medical or remedial care institutions who would be eligible for AFDC, SSI, or an optional state supplement if they were not in a medical institution.

\*\* These policies were previously submitted under TN #88-0036; HCFA approved these policies effective October 1, 1988, only for institutionalized persons whose eligibility is determined on the basis that they would be eligible for AFDC, SSI or an optional state supplement if they lived outside the medical institution.

**OFFICIAL**

*Substitute page submitted by State on 12-11-91*

Revision:

SUPPLEMENT 8a to ATTACHMENT 2.6-A

Page 1a

OMB No.:

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C. For pregnant women and children under age 6, Categorically Needy.

1. Income Disregard - For pregnant women, infants under one year of age and children who have attained one year of age but have not yet attained six years of age applying for coverage under Wisconsin's Medical Assistance Program (WMAP), an amount equal to the difference between 185% of the Federal Poverty Level (FPL) and 133% FPL for their family size plus one dollar is disregarded from family income in determining their eligibility under ss. 1902(a)(10)(i)(IV) and (VI) of the Social Security Act.

D. The following unearned income regulations apply to Working Disabled individuals as defined in Section 1902(a)(10)(A)(ii)(XIII) of the Social Security Act:

1. Effective January 1, 2000, all of the applicant's unearned income and any deemed spousal unearned income shall be disregarded when determining whether or not the individual meets the financial eligibility requirements for SSI program under this section.

Note: Additional unearned income beyond \$20 is not disregarded for purposes of determining whether or not the family's net income is below 250% of the federal poverty level.

TN No. 99-005  
Supersedes  
TN No. 94-016

Approval Date SEP 02 1999

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**Justification for Section 1902(r) (2)**

**Goals/Purpose**

- Remove employment barriers, specifically health and long term care barriers, for working-age people with disabilities who work or are enrolled in a work program.
- Allow people with disabilities to earn and have additional savings from earnings including saving for a home, an automobile, a physically accessible van or for retirement.
- Eliminate eligibility cliffs based on income

***All Unearned Income Exclusion (Supplement 8a, page 1)***

Under the methodology outlined under Section 4733 alone, a working disabled individual would currently have to have unearned income less than \$520. This requirement would make the majority of SSDI beneficiaries ineligible for Medicaid under this section; the average monthly SSDI benefit is \$700. The SSDI population is a the prime target group for return-to-work strategies.

***Resource Exclusion (Supplement 8b, page 1)***

Based on the methodology outlined under Section 4733 alone, a single person participating in the Medicaid Purchase Plan would not be allowed to have more than \$2000 in non-exempt assets. This requirement means that persons with disabilities are not able to save for a home, auto, physically accessible van, or participate in employers' retirement accounts.

**State Plan Under Title XIX of the Social Security Act**

State: Wisconsin

**LESS RESTRICTIVE METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT**

√ For all eligibility groups not subject to the limitations on payment explained in section 1903(f) of the Act\*: All wages paid by the Census Bureau for temporary employment related to Census 2000 activities are excluded.

\* Less restrictive methods may not result in exceeding gross income limitations under section 1903(f).